

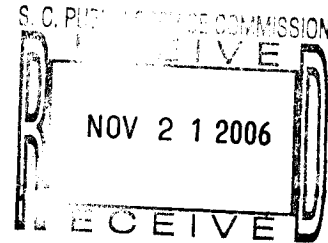
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November 20, 2006



Charles L.A. Terreni,  
Chief Clerk & Administrator  
SC Public Service Commission  
101 Executive Center Drive  
Columbia, SC 29210

RE: Application of Midlands Utility, Inc., for Expansion of  
Service Territory in Richland County  
Docket No.: 2006-266-S

**COPY**  
Posted: [Signature]  
Dept: SA  
Date: 11-21-06  
Time: 3:10

Dear Mr. Terreni:

As your records will reflect, I represent Midlands Utility, Inc. (Midlands) in connection with its request to expand its service territory in Richland County. Midlands has complied with the Commission directives and orders with respect to the application and the Office of Regulatory Staff (ORS) has been provided the information requested concerning Midlands' application.

The matter is now ready for final disposition. However, I would respectfully request that in the event that the Commission determines to grant Midlands' application to expand its service territory, that it do so on the schedule hereinafter set out.

As the application reflects, a volunteer is currently providing collection-only sewer service without charge to the residents in the affected area. The volunteer is a national corporation owning property in the affected area from which it operates its wastewater treatment facilities. The volunteer is selling its property to a third party and conveying to Midlands its wastewater treatment facilities. As a condition of its sale, the volunteer is also paying Midlands from sale proceeds an amount sufficient to upgrade the wastewater treatment facilities. As of this writing, the sale closing is anticipated not later than December 30, 2006.

I am advised by the closing attorney that after the sale of its property, the volunteer will own no other real estate in the state. Therefore to ensure that the volunteer complies with its agreement to pay over these funds to Midlands from sale proceeds, the Applicant would request that any order granting an expansion of the service territory be effective upon a date not later than thirty (30) days after the closing of the sale of the volunteer's real estate. At such time as Midlands is in receipt of these funds

Mr. Terreni  
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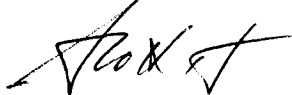
from the volunteer, it would propose to confirm receipt with the Commission in writing and accept the service territory. Moreover, the four customers involved will not pay for the collection-only services until Midlands is granted the service territory. For the forgoing reasons, Midlands' request is in the public interest.

I am advised by counsel for the ORS that the ORS has no objection to the application to expand the service territory or to instant request that the expansion of the service territory become effective thirty (30) days after the closing as outlined herein.

I appreciate the courtesies your staff and you have shown my client and me. If counsel or you have questions, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.

A handwritten signature in black ink, appearing to read "Scott Elliott", written over the printed name.

Scott Elliott

SE/jcl

cc: Nanette S. Edwards, Esq.  
Shannon B. Hudson, Esq.